VZCZCXRO0417 PP RUEHLMC DE RUEHYE #0202/01 0701332 ZNY SSSSS ZZH P 101332Z MAR 08 FM AMEMBASSY YEREVAN TO RUEHC/SECSTATE WASHDC PRIORITY 7154 INFO RUCNCIS/CIS COLLECTIVE PRIORITY RUEHAK/AMEMBASSY ANKARA PRIORITY 1510 RUEHIT/AMCONSUL ISTANBUL PRIORITY 0665 RHMFISS/HQ USEUCOM VAIHINGEN GE//ECJ4/ECJ5-A/ECJ1/ECJ37// PRIORITY RHEHNSC/NSC WASHDC PRIORITY RUEHLMC/MILLENNIUM CHALLENGE CORPORATION WASHINGTON DC PRIORITY RUEKJCS/SECDEF WASHDC PRIORITY RUEHNO/USMISSION USNATO PRIORITY 0582

S E C R E T SECTION 01 OF 02 YEREVAN 000202

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E.O. 12958: DECL: 03/09/2018 TAGS: PGOV PREL PHUM ASEC KDEM AM SUBJECT: PRESIDENTIAL ADVISER PESSIMISTIC THAT CRACKDOWN

STRATEGY MAY PROVOKE FURTHER INSTABILITY

REF: YEREVAN 164

Classified By: CDA Joseph Pennington, reasons 1.4 (b,d)

- 11. (S) SUMMARY: Presidential national security adviser Garnik Isagulian conceded to polchief March 9 that the March 1 morning crackdown was authorized by President Kocharian the day before, contrary to the government's official line. Isagulian believes that PM Sargsian -- bolstered by hardline advisers and the security services -- is likely to imprison opposition rival Levon Ter-Petrossian (LTP) in coming days, and in general treat the current situation as a security problem rather than a political one. Isagulian commented that such a strategy would lead only to further unrest. A fierce nationalist, Isagulian's sole comfort in the current crisis is his belief that Sargsian is now too weakened a figure ever to be able to sign a peace negotiation along the lines being negotiated by the Minsk Group. If he did so, Isagulian said, he would be toppled from power, just as Sargsian had helped topple LTP in 1998. END SUMMARY
- 12. (S) AN INSIDER'S VIEW: Garnik Isagulian is President Kocharian's adviser for national security, though less influential on policy than the title might suggest. He is loyal to President Kocharian, and claims friendship with PM Serzh Sargsian, though it is clear that he is closer to Kocharian than Sargsian and thinks more highly of the current president than the president-elect. He is dismayed by the path that both leaders have chosen in recent weeks, almost to the point of resigning from his position. Aside from being a rabid nationalist, on issues of domestic politics Isagulian has a much more constructive outlook. Polchief has grown to know Isalgulian quite well over the last 18 months, and Isagulian does not hesitate to speak candidly about information unfavorable to his own government. idealistic, pro-American, and with  $\bar{\mathbf{a}}$  somewhat romanticized view of the Armenian nation. Isagulian's liking for Kocharian sometimes may cause him to interpret facts in a way that reflects more positively on the president. In recent months we have begun to detect less positive feelings for Serzh Sargsian, about whom he had previously spoken warmly.
- 13. (S) AUTHORITIES TO BLAME FOR VIOLENCE; CRISIS OF CONFIDENCE: Isagulian was bitter about his own government's role in the March 1-2 violence, for which he deemed the authorities completely responsible. He said that Kocharian had been swayed by the police and security service leaders' confidence that they could clean out Freedom Square in minutes, with a minimum of casualties, and had authorized the operation. Kocharian had been so confident it would go smoothly, he had planned to go skiing in the Armenian ski

resort of Tsakhadzor that day. Isagulian commented that the leaders of both services should have resigned afterward, but of course the regime would never endorse such a step, believing it would signal error or weakness. Isagulian was pained by the brutality the police had employed in gratuitously beating non-violent protesters in Freedom Square. This and the subsequent clashes later the evening of March 1, as well as the State of Emergency, were devastating blows against public trust and confidence in the government. Isagulian felt that Public Television's relentlessly and transparently partisan broadcasts were further deepening public cynicism of the government. He commented that "90 percent of the people in the square were good people," who not only did not deserve to be so violently handled by their government, but who represent a critical constituency that the PM needs to win over in order to govern effectively. But the PM does not seem to recognize this reality.

14. (S) PM IS NO DEMOCRAT: Isagulian told us that he had recommended -- in written reports and during a meeting the week of March 3 with the President, PM, and Deputy Prime Minister -- a way forward to regain public trust and legitimacy. He advised lifting the press ban (which he said only fuels outrageous rumors), putting an end to the egregious pro-governmental partisanship on public television, granting the opposition access to television airtime, releasing from jail the vast majority of pro-LTP political figures, and starting work setting up a new cabinet whose composition would signal to the Armenian public a pro-reform orientation. He said he was very pessimistic, however, that this advice would be followed, as all indications were that the President, PM, and DPM, were determined to solve the current crisis solely by clamping down. He said that the PM

YEREVAN 00000202 002 OF 002

seemed during their meeting firmly resolved to jail and prosecute LTP in the coming days. (NOTE: This contradicts the impression PM Sargsian gave EUR DAS Bryza during their subsequent meeting March 7, in which he intimated that this would be a grave political mistake, while hinting he might not be able to prevent Kocharian from taking this step. NOTE) Isagulian said that Sargsian was surrounded by advisers and security service chiefs who curry favor with the PM by minimizing the political problems, and insisting that pro-LTP forces are a minor nuisance that can and should be easily dealt with by the security services. Isagulian said the truth of Sargsian's political position can be seen from the events of February 26, when the PM had bussed into Yerevan tens of thousands of ostensible supporters for a rally, only to have most of them, as he put it (our observation was a sizeable minority), defect to LTP's rally up the street instead, creating a pro-LTP crowd that Isagulian put at 60,000 people. Isagulian worried that this path would lead to continuing instability, commenting that "Armenia is not Azerbaijan. Armenians won't tolerate being ruled like that for long.'

- 15. (S) BAGHDASSARIAN A SELLOUT: Isagulian commented that a contributing factor to the public outrage that erupted March 1 after police cleared Freedom Square was widespread disgust over what he considered the cynical ploy of buying off Orinats Yerkir leader Artur Baghdassarian by bringing him into the government. Isagulian commented "Everybody knows 80 percent of Artur's voters hate the government." Co-opting Baghdassarian into government only fueled popular disgust.
- 16. (S) "AT LEAST HE CAN'T NEGOTIATE ON KARABAKH NOW": The one bright spot in the fiercely nationalistic Isagulian's mind was his confidence that Sargsian is now so irrepairably damaged politically that he will never dare to negotiate away one inch of Nagorno-Karabakh (NK) or the surrounding occupied territories (OT). Isagulian said that if he tried to do so now, he would be instantly toppled from power, just the way that LTP had been. (NOTE: LTP is notorious for having stolen the 1996 election from rival Vazgen Manukian and having sent in the army to impose order in Yerevan -- though

with no serious injuries or deaths. Just two years later, LTP was toppled from power in a cabinet coup d'etat by none other than Robert Kocharian, Serzh Sargsian, and the late Vazgen Sargsian, after his party deserted him in droves over the public perception that he was willing to negotiate away battle-won lands in NK/OT. END NOTE)

17. (C) COMMENT: We take Isagulian's words with due caution -- recognizing his biases and his desire for self-aggrandizement. However, this is a man who has known both the president and president-elect for a long time, and we would be wrong to dismiss out of hand his portrayal of the PM as determined to solve his political problems with force and criminal prosecutions, rather than the more democratic methods he has advanced with international envoys. The genuine evidence is slender for the "Sarqsian as frustrated democrat" theory, which holds that if only the muscular Kocharian were not still president and calling the shots, things would be very different. We have urged the PM repeatedly over the past two weeks to take bold steps to reassure the public of his commitment to democratic reform and to distance himself from Kocharian's draconian measures. We remain hopeful that he will move in that direction. Without such steps, however, betting on Sargsian as a future reformer will be little more than a leap of faith. PENNINGTON